

Judge Pechman

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AT SEATTLE
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BY WESTERN DISTRICT OF WASHINGTON DEPUTY

UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF WASHINGTON
AT SEATTLE

UNITED STATES OF AMERICA,

Plaintiff,

v.

VICKI LYNN OLSON,

Defendant.

NO. CR07-51P

PLEA AGREEMENT

The United States of America, by and through Jeffrey C. Sullivan, United States Attorney for the Western District of Washington, and Carl Blackstone, Assistant United States Attorney for said District, Defendant, Vicki Lynn Olson, and her attorney, Jay Stansell, enter into the following Agreement, pursuant to Federal Rule of Criminal Procedure 11(c):

1. Waiver of Indictment. Defendant, having been advised of the right to be charged by Indictment, agrees to waive that right and enter pleas of guilty to the charges brought by the United States Attorney in an Information.

2. The Charge(s). Defendant, having been advised of the right to have this matter tried before a jury, agrees to waive that right and enter pleas of guilty to the following charges contained in the Information.

a. Conspiracy, as charged in Count 1, in violation of Title 18, United States Code, Section 371; and

1 b. Procurement Fraud, as charged in Count 2, in violation of Title 41, United
2 States Code , Section 423(a)

3 By entering these pleas of guilty, Defendant hereby waives all objections to the
4 form of the charging document. Defendant further understands that before entering her
5 pleas of guilty, Defendant will be placed under oath. Any statement given by Defendant
6 under oath may be used by the United States in a prosecution for perjury or false
7 statement.

8 3. Elements of the Offense. The elements of the offense of Conspiracy, as
9 charged in Count 1, in violation of Title 18, United States Code, Section 371, are as
10 follows:

11 First, Defendant agreed with at least one other person to commit the crime of
12 procurement fraud;

13 Second, Defendant became a member of the conspiracy knowing of its
14 object and intending to help accomplish it; and

15 Third, one of the members of the conspiracy performed at least one overt act
16 for the purpose of carrying out the conspiracy.

17 The elements of the offense of Procurement Fraud, as charged in Count 2, in
18 violation of Title 41, United States Code, Section 423(a), are as follows:

19 First, the defendant was a present or former official of the United States with
20 access to contractor bid or proposal information and source selection information;

21 Second, the defendant knowingly disclosed that information prior to the
22 award of a Federal agency procurement contract; and

23 Third, the defendant disclosed the information to give anyone a competitive
24 advantage in the award of a Federal agency procurement contract.

25 4. The Penalties. Defendant understands that the statutory penalties for the
26 offenses to which she is pleading guilty are as follows:

27 a. Count 1 (Conspiracy): imprisonment for up to five (5) years, a fine
28 of up to two hundred fifty thousand dollars (\$250,000.00), a period of supervision

1 following release from prison of between two (2) and three (3) years, and a one hundred
2 dollar (\$100.00) special assessment. If Defendant receives a sentence of probation, the
3 probationary period could be up to five (5) years. Defendant agrees that the special
4 assessment shall be paid at or before the time of sentencing.

5 b. Count 2 (Procurement Fraud): imprisonment for up to five (5) years, a
6 fine of up to two hundred fifty thousand dollars (\$250,000.00), a period of supervision
7 following release from prison of between two (2) and three (3) years, and a one hundred
8 dollar (\$100.00) special assessment. If Defendant receives a sentence of probation, the
9 probationary period could be up to five (5) years. Defendant agrees that the special
10 assessment shall be paid at or before the time of sentencing

11 Defendant understands that supervised release is a period of time following
12 imprisonment during which she will be subject to certain restrictions and requirements.
13 Defendant further understands that if supervised release is imposed and she violates one or
14 more of its conditions, she could be returned to prison for all or part of the term of
15 supervised release that was originally imposed. This could result in Defendant serving a
16 total term of imprisonment greater than the statutory maximum stated above.

17 Defendant understands that in addition to any term of imprisonment and/or
18 fine that is imposed, the Court may order her to pay restitution to any victim of the offense,
19 as required by law.

20 Defendant agrees that any monetary penalty the Court imposes, including the
21 special assessment, fine, costs or restitution, is due and payable immediately, and further
22 agrees to submit a completed Financial Statement of Debtor form as requested by the
23 United States Attorney's Office.

24 5. Rights Waived by Pleading Guilty. Defendant understands that by pleading
25 guilty, she knowingly and voluntarily waives the following rights:

- 26 a. The right to plead not guilty and to persist in a plea of not guilty;
27 b. The right to a speedy and public trial before a jury of her peers;

1 c. The right to the effective assistance of counsel at trial, including, if
2 Defendant could not afford an attorney, the right to have the Court appoint one for
3 Defendant;

4 d. The right to be presumed innocent until guilt has been established
5 beyond a reasonable doubt at trial;

6 e. The right to confront and cross-examine witnesses against Defendant
7 at trial;

8 f. The right to compel or subpoena witnesses to appear on her behalf at
9 trial;

10 g. The right to testify or to remain silent at trial, at which trial such
11 silence could not be used against Defendant; and

12 h. The right to appeal a finding of guilt or any pretrial rulings.

13 6. United States Sentencing Guidelines. Defendant understands and
14 acknowledges that, at sentencing, the Court must consider the sentencing range calculated
15 under the United States Sentencing Guidelines, together with the other factors set forth in
16 Title 18, United States Code, Section 3553(a), including: (1) the nature and circumstances
17 of the offense(s); (2) the history and characteristics of the defendant; (3) the need for the
18 sentence to reflect the seriousness of the offense, to promote respect for the law, and to
19 provide just punishment for the offense; (4) the need for the sentence to afford adequate
20 deterrence to criminal conduct; (5) the need for the sentence to protect the public from
21 further crimes of the defendant; (6) the need to provide the defendant with educational and
22 vocational training, medical care, or other correctional treatment in the most effective
23 manner; (7) the kinds of sentences available; (8) the need to provide restitution to victims;
24 and (9) the need to avoid unwarranted sentence disparity among defendants involved in
25 similar conduct who have similar records. Accordingly, Defendant understands and
26 acknowledges that:

27 a. The Court will determine her applicable Sentencing Guidelines range
28 at the time of sentencing;

1 b. After consideration of the Sentencing Guidelines and the factors in
2 18 U.S.C. 3553(a), the Court may impose any sentence authorized by law, up to the
3 maximum term authorized by law;

4 c. The Court is not bound by any recommendation regarding the
5 sentence to be imposed, or by any calculation or estimation of the Sentencing Guidelines
6 range offered by the parties or the United States Probation Department, or by any
7 stipulations or agreements between the parties in this Plea Agreement; and

8 d. Defendant may not withdraw a guilty plea solely because of the
9 sentence imposed by the Court.

10 7. Ultimate Sentence. Defendant acknowledges that no one has promised or
11 guaranteed what sentence the Court will impose.

12 8. Restitution. Defendant shall make restitution in an amount to be determined
13 by the Court at the time of sentencing. Said amount shall be due and payable immediately
14 and shall be paid in accordance with a schedule of payments as proposed by the United
15 States Probation Office and ordered by the Court.

16 9. Statement of Facts. The parties agree on the following facts. Defendant
17 admits she is guilty of the charged offenses

18 COUNT ONE
19 (CONSPIRACY)

20 At all relevant times:

21 a. The Federal Aviation Administration ("FAA") was an agency of the United
22 States of America. The FAA is responsible for solicitation, award and oversight of
23 procurement contracts entered by the FAA.

24 b. VICKI LYNN OLSON was employed by the FAA as the manager of the
25 Acquisition Management Branch in Renton, Washington. In this capacity OLSON was
26 responsible for supervising FAA contracting officers who had the authority to award
27 procurement contracts on behalf of the FAA. In this capacity OLSON also had access to
28 contractor bid or proposal information and source selection information.

1 c. On or about April 4, 2002, the FAA announced a solicitation for offers on a
2 contract to build a High Intensity Approach Lighting System ("ALSF") at Seattle Tacoma
3 International Airport, Seattle, Washington. The initial solicitation was called a Screening
4 Information Request ("SIR"). The purpose of the SIR was to seek competent and suitable
5 sources for the construction of the ALSF. The SIR indicated that the estimated contract
6 price of the project was from "\$1,000,000 - \$5,000,000." The SIR requested that
7 prospective bidders submit technical and business proposals addressing the following
8 criteria: (1) Knowledge and Experience of Key Project Elements - Past Performance; (2)
9 Management Approach, Abilities, Resources; (3) Key Personnel Qualifications; and (4)
10 Financial Resources and Capability. Once these proposals were submitted the FAA would
11 evaluate each proposal and make a selection of qualified offerors based on the evaluation
12 criteria in the SIR. Those companies which were deemed to have submitted qualified
13 proposals would then be given an opportunity to submit price and technical proposals for
14 the ALSF Contract.

15 d. On or about April 18, 2002, the FAA received responses to the SIR and
16 determined that PCL Construction Services, Inc. ("PCL") and Donald B. Murphy
17 Contractors, Inc. ("DBM") were qualified to submit proposals for construction of the
18 ALSF project..

19 e. On or about May 2, 2002, the FAA requested that PCL and DBM each submit a
20 price proposal and a technical proposal for the ALSF Contract. The FAA Request for
21 Offer ("RFO") provided that the ALSF Contract would be awarded on the basis of two
22 criteria: technical and price. The FAA stated that the technical criterion was more
23 important than price in making the contract award. However, the FAA specified that
24 "price becomes increasingly more important as differences in Technical scores among
25 offers decrease."

26 f. On or about May 30, 2002, DBM and PCL submitted to the FAA technical and
27 price proposals for the ALSF Contract. DBM's price proposal to construct the ALSF was
28

1 \$4,297,500. PCL's price proposal was \$4,561,800, which was \$264,300 higher than
2 DBM's price proposal.

3 g. DBM and PCL's respective technical proposals were evaluated by two FAA
4 engineers. On May 31, 2002, the engineers completed their evaluation and concluded that
5 there was no "significant technical difference" between the two proposals. As a result of
6 this finding, the engineers recommended to the FAA contracting officer that the ALSF
7 Contract be awarded "to the offeror with the lowest cost."

8 h. On June 5, 2002, the FAA contracting officer, who was responsible for
9 awarding the ALSF Contract, decided to solicit a best and final offer from DBM and PCL.
10 The two companies were given until June 10, 2002, to submit their best and final offers.

11 i. On June 5, 2002, DBM submitted a best and final offer to the FAA in which
12 DBM clarified that they could complete the ALSF Contract within the time period
13 specified in the contract. DBM did not change their initial price proposal of \$4,297,500.

14 j. On June 10, 2002, PCL submitted a best and final offer to the FAA in which
15 PCL decreased their price proposal by \$213,600 to a total price of \$4,348,200. DBM's
16 price proposal was still the lower price by \$50,700.

17 k. On or about June 10, 2002, the FAA contracting officer prepared a written
18 memorandum indicating that she intended to award the ALSF Contract to DBM because
19 the DBM technical and price proposals provided the "best value" to the FAA.

20 l. On or about June 12, 2002, the defendant VICKI LYNN OLSON removed the
21 FAA contracting officer from the ALSF contract and replaced her with another FAA
22 contracting officer.

23 m. On or about June 12, 2002, the new FAA contracting officer requested PCL to
24 submit another price proposal. DBM was not given this same opportunity. On the same
25 day, PCL submitted a "revised" price proposal which reduced their price by \$55,000 to a
26 total price of \$4,293,200. This new price was now \$4,300 lower than DBM's best and
27 final offer of June 5, 2002.

1 n. On or about June 14, 2002, the new FAA contracting officer awarded the ALSF
2 Contract to PCL at a price of \$4,293,200.

3 B. THE AGREEMENT

4 o. Beginning at a date unknown but believed to be at least May 2002 and
5 continuing until October 2004, in the Western District of Washington and elsewhere, the
6 defendant VICKI LYNN OLSON and others known and unknown to the United States
7 Attorney conspired and agreed with each other to commit an offense against the United
8 States, namely to knowingly disclose and obtain source selection information prior to the
9 award of the ALSF Contract, in violation of Title 41, United States Code, Section 423.

10 C. THE PURPOSE OF THE CONSPIRACY

11 p. The plan and purpose of the conspiracy was for defendant VICKI LYNN
12 OLSON and others to provide a competitive advantage to PCL by disclosing to PCL
13 source selection information for the ALSF Contract.

14 D. THE MANNER AND MEANS OF THE CONSPIRACY

15 q. Defendant VICKI LYNN OLSON and her co-conspirators used the following
16 means, among others, to effect the object and purpose of the conspiracy:

17 1. It was a part of the conspiracy that the defendant encouraged PCL to
18 submit a proposal for the ALSF contract and then, in concert with her co-conspirators,
19 took steps to ensure that the competitive bidding process would be circumvented in order
20 to ensure that the ALSF Contract would be awarded to PCL.

21 2. It was a further part of the conspiracy that the defendant made
22 disparaging remarks about DBM and encouraged the FAA contracting officer and others
23 to award the ALSF contract to PCL.

24 3. It was a further part of the conspiracy that the defendant prevented the
25 original FAA contracting officer from awarding the ALSF contract to DBM by falsely
26 stating that the contract could not be awarded because there were outstanding "real estate"
27 issues which needed to be resolved before the contract could be awarded.

1 4. It was a further part of the conspiracy that the defendant and a co-
2 conspirator at the FAA decided to remove the FAA contracting officer from the ALSF
3 project in order to prevent her from awarding the ALSF Contract to DBM and then
4 replacing the contracting officer with a co-conspirator who would ensure that the ALSF
5 Contract was awarded to PCL.

6 5. It was a further a part of the conspiracy that the defendant and a co-
7 conspirator at the FAA provided PCL with confidential source selection information in
8 order to ensure that PCL would be awarded the ALSF Contract. That source selection
9 information included informing PCL that PCL was not the low bidder on the ALSF
10 Contract and that PCL had to lower their price proposal by \$55,000 in order to be awarded
11 the ALSF Contract. Additionally, the defendant told PCL the price differential between
12 the DBM and PCL price proposals.

13 6. It was a further part of the conspiracy that PCL was awarded the ALSF
14 Contract based on the fact that PCL had been provided with confidential source selection
15 information thereby receiving an unfair competitive advantage over DBM.

16 7. It was a further part of the conspiracy that the defendant and/or her co-
17 conspirators took steps to conceal the nature of the conspiracy and the true reason as to
18 why the ALSF Contract had been awarded to PCL. Those steps, included among other
19 things, (1) falsely claiming that PCL's June 12, 2002 "revised price proposal" was based
20 on the "late receipt of a subcontractor bid" when in fact the defendant and her co-
21 conspirators knew that PCL's "revised price proposal" was based solely on the fact that
22 PCL had been provided with source selection information which had not been provided to
23 DBM; (2) falsely stating to DBM that "no actions were taken to prevent" DBM from
24 successfully bidding on the ALSF Contract and from successfully protesting a wrongful
25 award to PCL.; and (3) making false statements to law enforcement agents in an effort to
26 prevent detection of the conspiracy.

1 E. OVERT ACTS

2 r. In furtherance of the conspiracy and to accomplish the object of the
3 conspiracy, the defendant VICKI LYNN OLSON and her co-conspirators committed
4 various overt acts in the Western District of Washington, including but not limited to the
5 following:

6 1. In or about April or May 2002, the defendant encouraged PCL to submit
7 a proposal for the ALSF Contract.

8 2. On or about May 30, 2002, the defendant either opened or caused others
9 to open the respective price proposals submitted by DBM and PCL and then reviewed the
10 price proposals.

11 3. In or about June 2002, the defendant encouraged the FAA contracting
12 officer and the FAA project engineer to award the contract to PCL and to improperly
13 credit PCL's proposal with a Value Engineering Proposal prior to the award of the ALSF
14 Contract.

15 4. On or about June 12, 2002, the defendant and a co-conspirator at the FAA
16 decided to remove the FAA contracting officer from the ALSF contract in order to prevent
17 her from awarding the ALSF Contract to DBM.

18 5. On or about June 12, 2002, the defendant and a co-conspirator at the FAA
19 decided to replace the original FAA contracting officer with the co-conspirator who would
20 ensure that the ALSF Contract would be awarded to PCL.

21 6. On or about June 12, 2002, a co-conspirator at the FAA contacted PCL
22 and advised them that PCL was not the low bidder on the ALSF Contract and that PCL
23 needed to lower its price proposal by \$55,000 in order to be awarded the ALSF Contract.

24 7. On or about June 12, 2002, the defendant contacted PCL and advised
25 them of the price differential between the DBM and PCL price proposals.

26 8. On or about June 12, 2002, PCL submitted a revised price proposal which
27 reduced PCL's price proposal by \$55,000 and falsely claimed that the price reduction was
28 based upon "the late receipt of a subcontractor bid."

1 9. On or about June 12, 2002, a co-conspirator falsely told an FAA lawyer
2 that PCL's revised price proposal was based upon the late receipt of a subcontractor bid.

3 10 On or about August 14, 2002, the defendant wrote a letter to DBM
4 denying their protest of the awarding of the ALSF contract to PCL. In that letter the
5 defendant falsely stated that she had "found no evidence to support DBM's allegation that
6 actions were taken to prevent DBM from successfully bidding on this solicitation and from
7 successfully protesting a wrongful award to PCL."

8
9 COUNT 2
10 (PROCUREMENT FRAUD)

11 a.. On or about June 12, 2002, in the Western District of Washington, the
12 defendant VICKI LYNN OLSON, an official of the United States, assisting with the
13 award of a Federal agency procurement contract, knowingly disclosed to PCL source
14 selection information before the award of a federal agency procurement contract, namely,
15 the price differential between the price proposal submitted by PCL and DBM for the
16 ALSF Contract, which constitutes a disclosure of the ranking of offerors developed by the
17 FAA during the source selection process.

18 10. Non-Prosecution of Additional Offenses. As part of this Plea Agreement,
19 the United States Attorney's Office for the Western District of Washington agrees not to
20 prosecute Defendant for any additional offenses known to it as of the time of this
21 Agreement that are based upon evidence in its possession at this time, or that arise out of
22 the conduct giving rise to this investigation. In this regard, Defendant recognizes the
23 United States has agreed not to prosecute all of the criminal charges the evidence
24 establishes were committed by Defendant solely because of the promises made by
25 Defendant in this Agreement. Defendant agrees, however, that for purposes of preparing
26 the Presentence Report, the United States Attorney's Office will provide the United States
27 Probation Office with evidence of all conduct committed by Defendant.

28 Defendant agrees that any charges to be dismissed before or at the time of
sentencing were substantially justified in light of the evidence available to the United

1 States, were not vexatious, frivolous or taken in bad faith, and do not provide Defendant
2 with a basis for any future claims under the "Hyde Amendment," Pub.L. No. 105-
3 119(1997).

4 11. Acceptance of Responsibility. The United States acknowledges that if
5 Defendant qualifies for an acceptance of responsibility adjustment pursuant to USSG
6 § 3E1.1(a), and if the offense level is sixteen (16) or greater, her total offense level should
7 be decreased by three (3) levels pursuant to USSG §§ 3E1.1(a) and (b), because Defendant
8 has assisted the United States by timely notifying the authorities of her intention to plead
9 guilty, thereby permitting the United States to avoid preparing for trial and permitting the
10 Court to allocate its resources efficiently. If the offense level is less than sixteen (16), then
11 her total offense level should be decreased by two (2) levels because Defendant has clearly
12 demonstrated acceptance of responsibility for her offense.

13 12. Cooperation

14 a. Defendant shall cooperate completely and truthfully with law
15 enforcement authorities in the investigation and prosecution of other individuals involved
16 in criminal activity. Such cooperation shall include, but not be limited to, complete and
17 truthful statements to law enforcement officers, as well as complete and truthful testimony,
18 if called as a witness before a grand jury, or at any state or federal trial, retrial, or other
19 judicial proceedings. Such cooperation may include his involvement in undercover
20 activity, as directed and supervised by law enforcement authorities. Defendant
21 acknowledges that this obligation to cooperate shall continue after Defendant has entered a
22 guilty plea and sentence has been imposed, no matter what sentence Defendant receives;
23 his failure to do so may constitute a breach of this Plea Agreement.

24 b. Defendant understands the United States will tolerate no deception
25 from him. If, in the estimation of the United States Attorney, information or testimony
26 provided from the date of the Plea Agreement, proves to be untruthful or incomplete in
27 any way, regardless of whether the untruthfulness was intended to help or hurt the United
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1 States' case, the United States Attorney for the Western District of Washington may
2 consider that Defendant has breached this Plea Agreement.

3 c. The United States Attorney's Office for the Western District of
4 Washington, in turn, agrees not to prosecute Defendant for any other offenses, other than
5 crimes of violence, that Defendant may have committed in the Western District of
6 Washington prior to the date of this Agreement about which: (1) the United States
7 presently possesses information; or (2) Defendant provides information pursuant to this
8 Agreement to cooperate with the authorities.

9 d. The parties agree that information provided by Defendant in
10 connection with this Plea Agreement shall not be used to determine his sentence, except to
11 the extent described in USSG § 1B1.8.

12 e. In exchange for her cooperation as described above, and conditioned
13 upon her fulfillment of all provisions of this Plea Agreement, the United States Attorney
14 agrees to advise the Probation Office and the Court of the extent and usefulness of
15 Defendant's cooperation.

16 f. Defendant agrees that her sentencing date may be delayed based on
17 the United States' need for her continued cooperation, and agrees not to object to any
18 continuances of her sentencing date sought by the United States.

19 13. Breach, Waiver, and Post-Plea Conduct. Defendant agrees that if she
20 breaches this Plea Agreement, the United States may withdraw from this Plea Agreement
21 and Defendant may be prosecuted for all offenses for which the United States has
22 evidence. Defendant agrees not to oppose any steps taken by the United States to nullify
23 this Plea Agreement, including the filing of a motion to withdraw from the Plea
24 Agreement. Defendant also agrees that if she is in breach of this Plea Agreement,
25 Defendant has waived any objection to the reinstitution of any charges in the Indictment
26 that were previously dismissed or any additional charges that had not been prosecuted.

27 Defendant further understands that if, after the date of this Agreement, she should
28 engage in illegal conduct, or conduct that is in violation of her conditions of release

1 (examples of which include, but are not limited to: obstruction of justice, failure to appear
2 for a court proceeding, criminal conduct while pending sentencing, and false statements to
3 law enforcement agents, the Pretrial Services Officer, Probation Officer or Court), the
4 United States is free under this Agreement to file additional charges against Defendant or
5 to seek a sentence that takes such conduct into consideration. Such a sentence could
6 include a sentencing enhancement under the United States Sentencing Guidelines or an
7 upward departure from the applicable sentencing guidelines range.

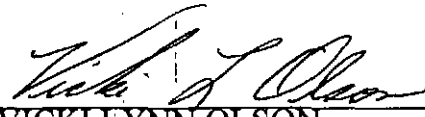
8 14. Voluntariness of Plea. Defendant agrees that she has entered into this Plea
9 Agreement freely and voluntarily, and that no threats or promises, other than the promises
10 contained in this Plea Agreement, were made to induce Defendant to enter these pleas of
11 guilty.

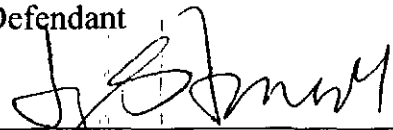
12 15. Statute of Limitations. In the event this Agreement is not accepted by the
13 Court for any reason, or Defendant has breached any of the terms of this Plea Agreement,
14 the statute of limitations shall be deemed to have been tolled from the date of the Plea
15 Agreement to: (1) 30 days following the date of non-acceptance of the Plea Agreement by
16 the Court; or (2) 30 days following the date on which a breach of the Plea Agreement by
17 Defendant is discovered by the United States Attorney's Office.

18 16. Completeness of Agreement. The United States and Defendant
19 acknowledge that these terms constitute the entire Plea Agreement between the parties.
20 This Agreement binds only the United States Attorney's Office for the Western District of
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1 Washington. It does not bind any other United States Attorney's Office or any other office
2 or agency of the United States, or any state or local prosecutor.

3 Dated this 20th day of February, 2007.

4 
5 VICKI LYNN OLSON
6 Defendant

7 
8 JAY STANSEL
9 Attorney for Defendant

10 
11 CARL BLACKSTONE
12 Assistant United States Attorney